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UNCLAS SECTION 01 OF 02 SARAJEVO 000217

SIPDIS

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SUBJECT: BOSNIA- REDUCED BUDGETS WILL HAMPER STATE COURT AND PROSECUTOR'S OPERATIONS

REF: A) SARAJEVO 77 B) 08 SARAJEVO 1885 C) SARAJEVO 186

11. SUMMARY: (U) Officials at the State Court and the State Prosecutor's Office are now coming to terms with the BiH Parliament's decision to significantly reduce the budgets of both institutions. During a February 12 meeting with donors, State Court representatives said that the reduced budget (a reduction of approximately 18 percent compared with the budget originally proposed), will lead to a disruption of the Court's operations, since the Court will be unable to meet some contractual obligations to defense lawyers and must reduce support provided to witnesses. In addition, both the State Court and the State Prosecutor's Office will lack funding to replace international judges, prosecutors, and support staff with nationals by year's end as mandated by current legislation. The leadership of both institutions plan to lobby the National Fiscal Council to make up the current budget shortfalls, but it is not certain that these efforts will succeed given the Federation government's burgeoning financial troubles and continuing attacks by mostly Republika Srpska (RS) politicians against state-level judicial institutions. END SUMMARY.

Reduced Budgets Jeopardize Operations

- (U) The State Court and the State Prosecutor's Office staff are still reeling after both institutions' 2009 budgets were significantly reduced by the BiH Parliament. The State Court's budget was reduced by approximately 1.435 million USD, while the State Prosecutor's Office budget was reduced by at least 450,000 USD. Officials told donors at a February 12 meeting that with the reduced budget the Court will not be able to carry out normal operations. For example, it will not be able to meet its contractual obligations to publicly funded defense lawyers, which would call into question the principles of fair trial and defendants' right to legal counsel. Also it will not be able to maintain witness support (such as psychological counseling for witnesses in war crimes trials) at current levels. Neither the Court nor the State Prosecutor's Office will have funds to replace international judges, prosecutors, legal officers, and other staff with nationals by year's end as stipulated by existing legislation. Nor, according to judicial officials, will they be able to implement various elements of the National War Crimes Strategy, such as creating a central database of all war crimes cases. The Strategy was adopted by the Council of Ministers in December (Ref A), but parliamentarians failed to provide additional funding for the initiative in the budget.
- 13. (U) During the February 12 donor meeting, State Court representatives expressed frustration with the manner in

which Parliament carried out the budgetary process. They emphasized that they were never notified about the significantly reduced Court budget before or after it was adopted, or given an opportunity to suggest cuts. Instead, they said they read about the reduced allocations and the arbitrary cuts on Parliament's website, days after it adopted the budget.

Next Steps

14. (U) In the near future, Court President Meddzida Kreso and Chief Prosecutor Milorad Barasin plan to ask the National Fiscal Council to increase their institutions' budget through a "re-balancing" of the State budget (Ref B). However, there are no guarantees that the Council will grant the request given the Federation's financial troubles (Refs B and C) and the Republika Srpska politicians' continued opposition to state-level judicial institutions. (Note: President Kreso characterized Parliament's decision to reduce the Court's budget as a political attack by politicians in a January 29 press conference. End Note) Even if the State Court and the State Prosecutor's Office are given additional funding to make up some of their respective budget shortfalls, the process is expected to take several months. By then operations at both institutions would have already been negatively affected. With this in mind, representatives from the State Court and the State Prosecutor's Office urged donors to lobby the National Fiscal Council and influential politicians to increase the budgets of both institutions.

Comment

SARAJEVO 00000217 002 OF 002

15. (U) While it may be understandable that the BiH Parliament, in these difficult economic times, decided to reduce the budgets of the State Court and the State Prosecutor's Office, it is unfortunate that it did not consult more with judicial officials. Nor did Parliament take into account the continuing transition to an all national staff or the need to implement the National War Crimes Strategy. The manner in which it interacted with the State Court and the State Prosecutor's Office on the issue highlights the relatively poor relations between the legislative and judicial branches at all levels of government, and adds plausibility to State Court officials' claims that the budget cut is, in part, yet another political attack on the Court. We plan to support judicial officials' efforts to obtain additional resources.